

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. 117

Blue Grass Energy Cooperative Corporation

CLASSIFICATION OF SERVICE

RATES SCHEDULE ES – ENVIRONMENTAL SURCHARGE

AVAILABILITY

In all of the Company's service territory.

APPLICABILITY

This rate schedule shall apply to all electric rate schedules and special contracts.

RATE

$CES(m) = ES(m)$

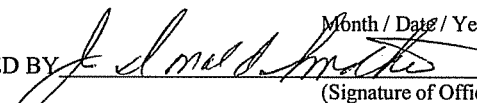
where $CES(m)$ = Current Month Environmental Surcharge Factor
 $ES(m)$ = Current Month Environmental Surcharge Calculation

$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, excluding environmental surcharge})) + (\text{Over/Under Recovery})] \text{ divided by } [\text{Average of 12-months ending Retail Revenue (excluding environmental surcharge)}] =$
_____ %

where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month

DATE OF ISSUE November 16, 2010
Month / Date / Year

DATE EFFECTIVE November 5, 2010
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE Vice President and CFO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00021 DATED November 5, 2010

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(Over)/Under Recovery =

6-months cumulative (over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. Over or under recoveries shall be amortized over a six-month period.

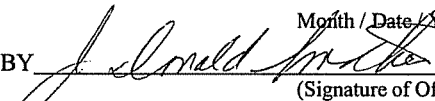
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BILLING

The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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